

Susan & Richard Mirikitani  
5329 Kalanianaʻole Highway  
Honolulu, Hawaii 96821  
[info@bayerestate.com](mailto:info@bayerestate.com) 377-9359  
July 9, 2017

2017 JUL 10 AM 7:28  
C & C, HONOLULU  
ED  
RK

Via email

Chair Ron Menor and Members  
Honolulu City Council  
Honolulu, Hawaii 96813

**RE: Written Testimony In Opposition to Council Bill 52, CD1 (2017)  
Relating to Historic Residences Minimum Real Property Tax**

Chair Menor and Members of the Honolulu City Council:

We express our opposition to Council Bill 52, CD1 (2017) which would raise by over 300% real property taxes for historic residences in Honolulu by reducing the exemption currently provided.

We appreciate that the Council faces difficult budgetary considerations and decisions. If there is no practical alternative to increasing necessary real property tax revenues, we would ask that the Council duly consider, within the context of all real property taxes and exemptions:

- The importance of preservation of historic homes for the welfare and sense of place of our City
- The negative impact on historic preservation which would result from Bill 52, CD1 (2017) which significantly reduces an important economic incentive for owners to preserve instead of demolish historic homes for redevelopment
- Whether this reduction for historic homes would have a meaningful revenue generating impact for the City, given the relatively low and diminishing number of historic residences in Honolulu

Our opinion on this is based upon our experience as owners of an historic home in Aina Haina which was built in 1936. It was designed by renowned Territorial architect Raymond Lewellyn Morris of Lewers & Cooke, and was among the first homes built along this stretch of Kalanianaʻole Highway at a time when the highway was a dirt road.

We consider our historic home to be a valuable community asset, and residents and visitors to Honolulu frequently tour our historic property or attend charitable and other events hosted at our home. We have been pleased that so many guests have expressed appreciation and enthusiasm for our preservation efforts and sharing of the property. In turn, we thank and credit the State and the City for public policies supporting historic preservation for the welfare and heritage of our community.

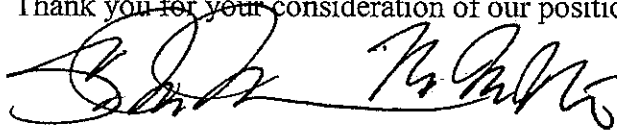
The Hawaii Constitution recognizes the importance of preserving our historic properties as assets for the public welfare and future generations in the spirit of stewardship. The Hawaii legislature

set forth Hawaii's historic preservation policy in HRS Chapter 6E, encouraging leadership at all levels of government to preserve, restore and maintain historic properties in a spirit of stewardship and trusteeship for future generations. We appreciate that the City and County of Honolulu has supported this spirit and policy of historic preservation by providing real property tax incentives which support decisions to preserve, rather than demolish wonderful but diminishing historic assets which provide character and a sense of history for our City and public welfare.

We have also become very familiar with the high costs associated with constant maintenance and upkeep of a historic home, in addition to periodic substantial costs for overhaul of aging systems like electrical, plumbing and roofing to preserve the historic integrity of an old home. High maintenance and carrying costs unfortunately weigh into the balance and practical economic decisions on the feasibility of sustaining and preserving a historic home vs. demolishing, subdividing and redeveloping at higher density. Erosion of existing economic incentives that make preservation of historic homes more feasible and sustainable will result in the loss of more and more of our City's historic assets.

For these reasons, we oppose this Bill and ask the Council to duly consider the negative impacts of a 300% increase in real property taxes on historic residences.

Thank you for your consideration of our position on this Bill.

Handwritten signatures of Susan and Richard Mirikitani in black ink.

Susan & Richard Mirikitani